

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
NEW BERN DIVISION**

IN RE:

CASE NUMBER:

**PEPPERTREE-ATLANTIC BEACH
ASSOCIATION, INC.**

15-02700-5-DMW

Debtor-in-possession

Chapter 11

**MOTION OF THE BANKRUPTCY ADMINISTRATOR TO APPOINT
A COMMITTEE OF TIMESHARE/HOMEOWNERS**

Now comes the United States Bankruptcy Administrator for the Eastern District of North Carolina, by and through the undersigned, and respectfully moves this Honorable Court for an order appointing a committee of timeshare/homeowners, and further requests the debtor appropriate a sum of \$25,000 to be held in trust pending further order of the Court to provide a retainer for counsel of the committee. This motion is being brought pursuant to 11 U.S.C. § 1102(a). The undersigned more fully supports this motion in the following:

1. This matter is a core proceeding to which this Court has jurisdiction pursuant to 28 U.S.C. § 157.
2. On May 13, 2015, the debtor filed a voluntary petition for bankruptcy relief.
3. On June 16, 2015, the first meeting of creditors was held and concluded pursuant to 11 U.S.C. § 341.
4. On July 21, 2015, the undersigned notified certain timeshare/homeowners¹ of a meeting to be held at the United States Bankruptcy Court in Greenville, North Carolina, on August 17,

¹ The notified timeshare/homeowners were those that attended the 341 meeting and were notified by regular U.S. Mail.

2015 at 10:00 a.m. The Court further published this notice on its website. Approximately 23 individuals attended this meeting.

5. All the individuals that attended the meeting have a property interest at stake in this bankruptcy. They have a deeded interest in the estate property. Some owners may be considered unsecured creditors by virtue of paying their 2015 yearly maintenance dues.

6. At the meeting, the undersigned informed the timeshare/homeowners of the reasons he sought to form a committee. First, on July 21, 2015, the undersigned was informed that Peppertree Atlantic Beach phase two (PAB-2) was being condemned by the Towne of Atlantic Beach. Many timeshare/owners in this bankruptcy have been offered similar ownership interests in PAB-2. Second, the undersigned has reviewed several corporate records and financial documents of the debtor. The undersigned has concerns regarding those records and believes that a committee of timeshare/homeowners should have access to those records and have them professionally reviewed.

7. In addition to records review, the undersigned believes that a committee would be helpful in the administration of the estate. The committee could assist the debtor through the process. The committee could be a part of the plan process, marketing process, and bidding process. The committee will also assist the debtor in communications with timeshare/homeowners.

8. After the meeting, the group of timeshare/homeowners nominated the following to serve on the committee: Edward E. Raines, Jr. (Chairperson); Paul Taylor; James R. Kelly, Jr.; Ray Silverthorne; Barbara Johnson; and Charles Smith (alternate committee member).

9. As of the June 2015 monthly operating report, the debtor had approximately \$165,000 in the debtor in possession account. The undersigned requests that the Court order the sum of \$25,000 be the subject of a “carve out” for the committee for the purpose of retaining counsel.

The undersigned requests that this amount be held by the debtor until such time an application to be employ counsel for the committee has been filed. At such time, said sum shall be transferred to the applicant to be held in trust until further order of this Court.

WHEREFORE, the undersigned prays that this Court issue an order appointing a committee of timeshare/homeowners; order the debtor to appropriate the sum of \$25,000 to be “carved out” for the purpose of retaining counsel for the committee; and any other relief that this Court deems fair and equitable.

Respectfully submitted, this the 17th day of August, 2015.

/s/ C. Scott Kirk
C. Scott Kirk
Staff Attorney
N.C. State Bar No. 40349

Eastern District of North Carolina
150 Reade Circle
Greenville, NC 27858
252-917-6156

CERTIFICATE OF SERVICE

I, Amanda L. Gaster, of 150 Reade Circle, Greenville, North Carolina, 27858, certify:
That I am, and at all times hereinafter mentioned was, more than eighteen (18) years of age;

That on the 17th day of August, 2015, I served copies of the following documents on

Philip W. Paine

served electronically

Peppertree-Atlantic Beach Association, Inc.

715 W Fort Macon Road
Atlantic Beach, NC 28512

James R. Kelly, Jr.
4228 Old Tar Rd.
Winterville, NC 28590

Barbara Johnson
2602 Cherokee Dr.
Greenville, NC 27834

Paul H. Taylor, Jr.
6570 Hwy 70 East
Kinston, NC 28501

Ray G. Silverthorne, Jr.
123 Webster Lane
Vanceboro, NC 28586

Charles Smith
515 Cresline Blvd.
Greenville, NC 27834

Edward E. Raines, Jr.
701 Lanyard Dr.
Newport, NC 28570

I certify under penalty of perjury that the foregoing is true and correct.

Dated: August 17, 2015.

/ By: /s/Amanda L. Gaster

Amanda L. Gaster

Administrative Assistant

Eastern District of North Carolina
150 Reade Circle
Greenville, NC 27858

252-917-6158